

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2002-00460
BELFRY GAS COMPANY, INC.)	

ORDER

On October 11, 1993, in Case No. 1993-00111, the Commission approved rates for Belfry Gas Company, Inc. (Belfry) and provided for their further adjustment in accordance with Belfry s gas cost adjustment (GCA) clause.

On December 5, 2002, Belfry filed its GCA to be effective January 1, 2003. Belfry requested a waiver of the 30-day notice requirement in order to implement rates in a timely manner. As KRS 278.180(1) permits the Commission to shorten the required notice period for good cause, the Commission finds the utility s request should be granted.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Belfry s notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Belfry s proposed expected gas cost (EGC) is \$5.3940 per Mcf, which is an increase of \$1.5127 per Mcf from the previous EGC of \$3.8813.
3. Belfry s notice sets out no refund adjustment.
4. Belfry s notice sets out an actual adjustment (AA) of .09 cent per Mcf. Belfry s notice sets out a total AA of (1.11) cent per Mcf. Belfry incorrectly carried

forward an expired previous quarter AA. Correcting for this error, Belfry's total AA is .78 cent per Mcf, which is an increase of 1.98 cent from the previous total AA.

5. Belfry's notice sets out no balance adjustment.

6. Belfry's GCA is \$5.4018 per Mcf, which is \$1.5325 per Mcf more than the previous rate of \$3.8693.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for service rendered by Belfry on and after January 1, 2003.

IT IS THEREFORE ORDERED that:

1. Belfry's proposed rates are denied.

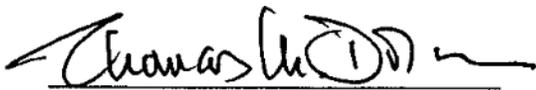
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for service rendered on and after January 1, 2003.

3. Within 20 days of the date of this Order, Belfry shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 20th day of December, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00460 DATED December 20, 2002

The following rates and charges are prescribed for the customers served by Belfry Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RETAIL RATES:

Monthly usage

	<u>Base Rate</u>	Gas Cost Recovery <u>Rate</u>	<u>Total</u>
First 1,000 cubic feet (Minimum Bill)	\$4.2667	\$5.4018	\$9.6685
Over 1,000 cubic feet	\$2.7182	\$5.4018	\$8.1200